



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

April 16, 2009

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

A handwritten signature in black ink, appearing to be "W. T. Fujioka", written over a horizontal line.

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

RESPONSE TO MARCH 10, 2009 MOTION BY SUPERVISOR ANTONOVICH REGARDING POTENTIAL FOR CONTINUED COUNTY COST OBLIGATIONS AT THE CONCLUSION OF THE FEDERAL ECONOMIC STIMULUS "AMERICAN RECOVERY AND REINVESTMENT ACT"

On March 10, 2009, your Board adopted a motion by Supervisor Antonovich directing the Chief Executive Officer (CEO) to report back in 30 days on the potential for continued County cost obligations at the conclusion of the Federal funding associated with the American Recovery and Reinvestment Act (ARRA). Specifically, the CEO was directed to report back on:

- The projects proposed in the Federal Stimulus Package and whether these projects will require County funding beyond the initial federal funding provided by the stimulus package.
- Whether any state laws will need to be changed to accept the Federal Stimulus Package dollars.
- Whether the County will be obligated to change any existing program practices, requirements or funding match level after the stimulus funding ends.

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The following report is provided in response to this direction.

- **Federal Release of ARRA Program Funding and Guidelines: CEO Monitoring and Tracking**

On March 10, 2009, the Obama Administration activated an ARRA website which contains a master list of ARRA funding and responsible Federal agencies. Beginning March 16, 2009, various Federal agencies began releasing ARRA program guidelines and funding. Through the CEO's Office of Intergovernmental Relations, daily notices of the release of ARRA programs are received which include identification of the issuing Federal department, funding program, date of issuance, and reference to the relevant Federal website.

The CEO initiated a process of providing your Board and departments with weekly updates on information related to the Federal ARRA program. (Attachment I). The Chief Information Officer is developing an intranet website on which to post this consistently updated information for County departments and agencies. The website, which is estimated to be launched by April 17, 2009, will be the County's central source of ARRA information. A template to collect data on specific ARRA programs implemented by the County, including a forecast of ongoing County funding commitment has been completed and is being refined. This information will also be posted on the ARRA intranet website.

By the end of April 2009, an internet website will also be launched to provide the County residents and businesses with information on the County's implementation of ARRA. The CEO is working with Auditor-Controller, the Chief Information Officer, and key departments to develop a consistent reporting mechanism for all departments who expend ARRA funds. These reports will be posted on the internet website, as well as being provided to the State and Federal governments in compliance with Federal requirements.

In addition, as described in the CEO's March 23, 2009 memorandum to your Board (Attachment II), an ARRA Oversight Task Force, Project Management Teams, and Targeted Funding Workgroups have been established. The Oversight Task Force is meeting regularly to determine management and accountability needs to ensure the ARRA funds are programmed in a collaborative manner and that the Project Management Teams have some common ground rules and procedures to

use in applying for funds, communication, and accountability and monitoring of both Federal funding and any required County funding. A reporting template has been established and all departments are being surveyed to ensure that information received by departments from their peer associations and other contacts is available to the Oversight Task Force and Project Management Teams, as well as fed into the County's ARRA database.

The Project Management Teams are already actively planning, registering, and ensuring appropriate collaboration between County agencies and our community based and other contractual partners; and preparing applications as Federal and State program information, guidelines, and application forms become available. For those categories of ARRA funding where the funds are flowing to County agencies and programs directly from the responsible Federal agency and will be spent according to the existing program regulations and allocation processes, the departments/agencies are seeking Board authorization to accept the funds. Examples of these funding categories are: the augmentation to the County's Community Development Commission's Community Development Block Grant Program and Capital Fund Program (CFP). For those ARRA grants that require a significant County match or other type of support, such as the COPS grant, departments will seek Board authorization in advance of applying for the grant.

- **State Legislative and Regulatory Actions in Support of Federal ARRA Program Actions**

Your Board instructed the CEO to determine whether any State laws will need to be changed to accept ARRA funds. This section discusses five urgency measures passed by the Legislature and signed by the Governor, which expedite access to certain ARRA funds, and issue areas which are likely to require either State legislation or budget adjustments after the Federal government issues program and funding guidelines.

Urgency Legislation. The Legislature recently passed five urgency measures which allow the State to draw down ARRA funds immediately for Medi-Cal, drinking water and wastewater projects, transportation, unemployment insurance, and expand eligibility for unemployment insurance. The Governor signed these measures on March 27, 2009. The bills are:

- **County-supported SBX3 24 (Alquist)** suspends Medi-Cal semi-annual reporting and temporarily restores 12-month continuous Medi-Cal eligibility for children under 19 years of age. This allows the State to qualify for the temporary increase in the Federal Medical Assistance Percentage (FMAP) for Medicaid and Title IV-E foster care and adoption assistance from October 1, 2008 to December 31, 2010.
- **SBX3 27 (Negrete-McCloud)** expedites the allocation of \$443 million in ARRA funds for clean drinking water and wastewater projects by amending State law to allocate the funds within the timeframes and for the purposes specified in the ARRA. The bill changes California law to comply with ARRA requirements for receipt of certain State Water Revolving Fund money for water quality projects. Specifically, the bill expands financial assistance for Clean Water Act projects to include grants to comply with the ARRA requirement that 50 percent of the wastewater treatment fund be allocated in the form of grants. The maximum grant amount in State law is \$1 million and this bill would increase the level to \$10 million.
- **ABX3 20 (Bass)** provides regional transportation authorities with greater discretion to select projects. The Department of Public Works (DPW) indicates that ABX3 20 maximizes the allocation of transportation funding for the Los Angeles County region and the County under ARRA. According to DPW, available funding for the Los Angeles County region would increase from \$215 million to \$438 million, of which the Metropolitan Transportation Authority proposes to sub-allocate \$315 million to cities and the County. The County's additional share would be an estimated \$10.8 million, increasing its total to approximately \$32.6 million.
- **ABX3 23 (Coto)** establishes eligibility requirements which allow unemployed persons to receive an additional 20 weeks of Federally funded unemployment insurance provided in the ARRA. Current law limits unemployment insurance benefits to 26 weeks.
- **ABX3 29 (Coto)** will allow more individuals to qualify for unemployment insurance benefits by extending coverage to low-wage, part-time, and jobless workers.

Issue Areas for Possible State Legislation

Based on information provided by departments and developed by the California State Association of Counties, the Legislative Analyst's Office (LAO), and the Department of Finance, we have identified the following areas which may require State legislation.

- **Temporary Aid to Needy Families (TANF) Emergency Contingency Fund (ECF).** During Federal Fiscal Years (FFYs) 2009 and 2010, the State will receive quarterly ECF grants equal to 80 percent of increased State and County quarterly expenditures over the corresponding quarters in the prior base year of FFY 2007 or 2008 under three expenditure categories: basic assistance, non-recurrent short-term benefits, and subsidized employment. The County's share of increased expenditures in each of these categories, including for subsidized employment, CalWORKs grants, and Kin-GAP grants, are counted in determining the amount of ECF funding that the State will receive. Under Federal law, the State has discretion over how ECF funds are allocated and used, subject to the limitation that ECF funds must be used for an allowable TANF purpose. State legislation would be required if State guidelines do not ensure that the County will receive the additional ECF funding that the State will be awarded based on increased County expenditures.
- **Health Information Technology (HIT).** ARRA provides substantial funding for a HIT initiative with the goal of assuring that each person accessing County health services has an electronic health record (EHR). Initial funding is appropriated for the development of HIT policies, standards, and infrastructure, including the creation of the new Federal office responsible for administering the new initiative. Most of the funding, which will be available to providers to implement the new EHR technology, will be provided through Medicare and Medicaid incentive payments, beginning in FFY 2011 after the HIT policies and standards have been established. The LAO recommends that the State enact legislation to establish a State administrative process to distribute and oversee Federal payments to Medi-Cal providers and to designate a State or private entity to distribute HIT grants.

In addition, many Federal agencies are still in the process of developing and issuing program guidelines. Under some Federal programs, additional State legislation or budgetary adjustments may be necessary. As noted above in the discussion of **SBX3 27**, State law had to be amended to comply with Federal timelines and to remove State restrictions on how the funds could be used and distributed. The Sacramento advocates indicate that discussions with the Department of Finance and the LAO confirm the view that more legislation will be considered in May and June once Federal guidelines have been adopted.

The CEO and departments are monitoring Federal agencies for release of guidelines, and identifying when State legislation is required to facilitate funding and program implementation.

State Budget Action Needed

The Legislature is expected to reopen the recently enacted FY 2009-10 State Budget to allocate estimated ARRA funds and to make budget adjustments in areas where these funds can be used to reduce State General Fund expenditures. The ARRA increases Medicaid Disproportionate Share Hospital funding, and according to the LAO, the Legislature must adopt budget bill language to allocate these funds to public hospitals. The Legislature also may seek to determine how the State uses ARRA funds that cannot be used to reduce State General Fund expenditures. More details on budget actions needed to appropriate ARRA funds are likely to be included in the Governor's May Budget Revision.

- **County Obligation or Potential Obligation to Change or Retain Changes to Existing Program Practices, Requirements, or Matching Fund Levels After ARRA Funding Ends**

At this time, we have the following information regarding County obligations or potential obligations for program practices, requirements, or matching funding related to ARRA programs:

- **Department of Public Social Services (DPSS)**

- **TANF ECF**

DPSS will use TANF ECF funds for two categories of activities:

- To maintain certain current services, such as Emergency Assistance to Prevent Eviction for CalWORKs families; and
- To implement new/expanded services, such as subsidized employment.

The County will not have any obligation or potential obligation to maintain any activities funded with TANF ECF once the funding is no longer available. However, for current services that will be maintained with ECF, the County will face a policy question as to whether to maintain those services with ongoing

CalWORKs Single Allocation funding (at the expense of some other CalWORKs services) or whether to maintain them with County funding, e.g., HPI funding. For new/expanded services, such as subsidized employment, it is anticipated that the services will simply end when the TANF ECF money is no longer available.

- **Community Services Block Grant Funding (CSBG)**

The other stimulus funding that will come directly to DPSS is an increase in CSBG funding. As of December 31, 2010, when the funding is no longer available there will be no County obligation or potential obligation to maintain services funded with the additional CSBG dollars.

- **Department of Community and Senior Services: Workforce Investment Act (WIA)**

It is the intent of the ARRA that the County use the WIA funds in an expedited and effective manner. There is no expectation that the local Workforce Investment Board or other governing agent continue the same level of increased or enhanced services beyond the 18 months. It is the County's intent to use the ARRA WIA funding to augment employment related services for two populations:

- Implementation of a Summer Youth Employment Program effective this fiscal year and use of existing WIA Youth Contractors.
- For Adult and Dislocated Worker, the plan is allocating funds to contractors who have been procured for FY 2009-10. Increased services will include a priority of service to CalWORKs Clients and other low-income residents, i.e., recently unemployed and economically disadvantaged.

- **Sheriff: Community Oriented Policing Services (COPS) Hiring Recovery Program Grant**

The COPS Hiring Recovery Program (CHRP) grant component of ARRA is a competitive grant that provides funding for three years and requires the agency receiving the funding to commit to fund the program for a fourth year. On April 14, 2009, your Board amended and approved a recommendation from the CEO authorizing the Sheriff to submit a grant application requesting Federal funding in the amount of \$66,741,126 for 36 months to pay the salary and benefits for 217 new deputy sheriffs that will be dedicated to providing law enforcement area patrol for the County's unincorporated communities (103 positions); unincorporated area

Community Oriented Policy Services (91 positions); and a Adult Sexual Assault Unit (23 positions). In addition, your Board approved the submission of a CHRP application to provide Federal funding in the amount of \$42,136,000 for 36 months to pay for 137 new deputy sheriffs to provide law enforcement services to the cities and school districts the Sheriff provides contract services for. The County grant application, if awarded, will commit the County to funding a fourth year at the cost of \$23,367,678 for the 217 deputy sheriffs to primarily enhance unincorporated area law enforcement. The contract cities and school districts will have to commit funding for the fourth year for the 137 deputy sheriffs.

- **Department of Public Health (DPH): Immunization Programs**

On April 9, 2009, the Centers for Disease Control and Prevention (CDC) announced \$193.0 million in grants to states for immunization program. This is a portion of \$300 million available for immunization included in the \$1.0 billion identified for Prevention and Wellness in the ARRA. DPH indicates that California was awarded \$23.4 million of the \$193.0 million and the County should receive a portion of those funds; however, the allocation methodology and potential local match requirements have yet to be determined by the State. A change in State statutes is not expected to be needed.

- **Departments of Health Services (DHS), Mental Health (DMH) and Public Social Services (DPSS): Federal Medical Assistance Percentage (FMAP)**

The greatest positive fiscal impact on the County results from the temporary increase in the FMAP, the Federal match rate for non-administrative Medicaid costs and Title IV-E foster care maintenance and adoption assistance payments. Our current estimated savings is \$475.6 million over the 27-month period from October 1, 2008 to December 31, 2010 for DHS, DMH, and DPSS. This current estimate reflects an increase in projected savings for DHS, as reflected in their most recent fiscal outlook, from \$149.2 million to \$183.1 million. This DHS estimate is based on current data and is subject to further refinement as more information is available.

- **Status of Current Activities Related the ARRA**

- The Environmental and Renewables Project Management Team is developing a proposed energy and renewables program for County-owned facilities, such as installation of solar panels and other efficiency projects. This Team is also developing a low-interest loan program for residents and businesses in the

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County to borrow funds to do energy conservation and renewables projects, to be repaid under AB 811 voluntary assessments paid through annual property taxes. Opportunities to collaborate with cities on the low-interest loan program will be pursued.

The Information Technology Team will focus on the HIT/EMR projects. This Team is in the preliminary phase of scoping out what work can be done at this point, such as providing input to the Federal government on the IT standards to be developed during FY 2009-10. Funding for the HIT projects is not anticipated until 2011. Between now and then, the Team will work with key departments to identify projects, which the County can start now to demonstrate our commitment to the Federal government.

Please be advised that we will provide updates to the information requested in Supervisor Antonovich's March 10, 2009 motion as it becomes available. In the meantime, if you have questions on the information above, please call me or your staff may contact Ellen Sandt, Deputy Chief Executive Officer at (213) 974-1186, or via email at esandt@ceo.lacounty.gov.

WTF:SRH
ES:LS:GK
SS:MS:DL:os

Attachments

c: Executive Officer, Board of Supervisors
Acting County Counsel
Sheriff
Director of Community and Senior Services
Director of Internal Services
Interim Director of Health Services
Director of Mental Health
Director and Health Officer of Public Health
Director of Public Social Services
Director of Public Works
Acting Director of Community Development Commission

ATTACHMENT I

Weekly Updates

- **March 16, 2009 (6 pages)**
- **March 25, 2009 (2 pages)**
- **April 9, 2009 (2 pages)**
- **April 10, 2009 (4 pages)**



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ECONOMIC STIMULUS: REPORT ON THE STATUS OF CURRENT ACTIVITIES REGARDING THE AMERICAN RECOVERY AND REINVESTMENT ACT

On February 17, 2009 President Barack Obama signed into law the American Recovery and Reinvestment Act (ARRA) of 2009. In anticipation of this legislation, the County has been involved in many activities to begin preparation for programming, allocating, providing ongoing oversight of the use of, and assuring performance based objectives for the stimulus funding. As your Board is aware, ARRA has five major funding categories:

- Capital Projects which are mostly transportation related although funding for fire stations is also provided;
- Information Technology related primarily to health care with some funding potentially available to improve the public's access to computers;
- Environmental and Renewables which is a multi-faceted category that will encompass programs to both benefit the County organization internally as well as permitting the County to provide programs of benefit to County residents;
- Health and Social Services which includes federal assistance for medical services, as well as funding for public health prevention and wellness, employment, community development and related programs; and
- Public Safety including funds to enhance law enforcement and wildfire management.

Many of the funds the County will receive are driven by existing federal funding formulas, while some of the ARRA funds will be based upon competitive grants. The following is a summary of the activities that have been undertaken, or are planned, related to the County's implementation of ARRA:

1. November/December 2008 - In response to a Board motion, the Chief Executive Office (CEO) developed a list of major "shovel-ready" and "green" infrastructure

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projects for the California State Association of Counties for the economic stimulus package; this list was received and filed by the Board on December 16, 2008.

2. January 2009 to present - In response to a Board motion, the CEO convened a committee comprised of Departments of Public Works (DPW), Internal Services (ISD) and County Counsel with input from various other departments to develop strategies to streamline the contracting process. The preliminary list of streamlining ideas was released as a Board memo on March 4, 2009. The CEO, County Counsel, DPW and ISD are currently in the process of briefing Board offices.
3. February 2009 - In response to a Board motion, the CEO and ISD developed a master list of potential "green" projects that potentially could be funded by the economic stimulus package.
4. February 2009 - ISD convened and chaired a committee to develop County policy on the use of economic stimulus money toward implementation of California AB 811, which assists property owners by providing low interest loans for retrofitting their property with energy efficiency improvements that are paid for using tax assessments against the property.
5. February 2009 to present - The CEO and Department of Public Health (DPH) worked with stakeholder organizations to ensure public health priorities were included in the final stimulus agreement. Key public health feature is a \$1.0 billion Prevention and Wellness Fund, which provides: a) \$300 million for immunization; b) \$650 million for evidence-based clinical and community-based prevention and wellness strategies; and c) \$50 million to states for healthcare-associated infection reduction strategies. DPH may see benefit, but amounts cannot currently be determined because allocations are subject to determination by the respective federal agencies. CEO and DPH are working to ensure optimal benefit to the County. DPH is also working to identify specific opportunities with respect to other components in the stimulus package, including health information technology and the justice grants.
6. March 4, 2009 - The CEO presented a first analysis to your Board of the financial impact of the economic stimulus package on the County.
7. March 2009 - In response to a Board motion, the CEO is leading the team to establish an executive oversight committee and the relevant subcommittees to ensure proper oversight of the economic stimulus package funding.
8. March 2009 - In response to a Board motion, the CEO is in the process of analyzing what the long term fiscal impacts of the economic stimulus package funding on the County's budget could be with special focus on impacts upon the conclusion of the 18 months of ARRA funding.

9. March 2009 - The Board of Supervisors and DPW will host a series of contracting opportunities workshops to help businesses learn more about public works projects and contracting opportunities resulting from the upcoming economic stimulus package funding.
10. March 2009 - In response to a Board motion, the CEO began working with the Department of Public Social Services (DPSS), DPW and ISD to recommend actions to ensure use of economic stimulus package funds will result in employment opportunities for at-risk special populations. The goal of the project is to place 10,000 unemployed constituents in subsidized positions from May 2009 through March 2010. This Office envisions two tracks of subsidized employment, one for CalWORKs/GAIN participants and another for those individuals that do not qualify for CalWORKs. Placement will be in the public, non-profit and private sectors and will include the following target populations:
 - DPSS Job Club participants that leave without a job;
 - 700 clients currently on the Department of Human Resources (DHR)/DPSS clerical lists;
 - 11,000 18-24 year olds on General Relief;
 - Older workers/seniors;
 - At-risk youth, including current and former foster youth, transition age youth, those in CalWORKs households, etc.;
 - Recently unemployed/displaced workers;
 - Residents of the gang strategy zones (Florence-Firestone, Monrovia/Duarte, Pacoima and Harbor Gateway);
 - Homeless individuals;
 - Department of Children and Family Services (DCFS) Prevention Initiative Demonstration Project (PIDP) contractors and clients (as employers and for referrals).
11. March 2009 - In response to a Board motion, the CEO convened a workgroup to establish the Los Angeles County Workforce Stimulus Plan. This group consists of representatives from CEO, Community and Senior Services (CSS), DPSS, DCFS, DHR and each Board office. The group is meeting every other week, and an Executive Team consisting of department heads is meeting on alternating weeks to establish an actionable plan. DPSS and CSS are the lead agencies and are currently in the process of:
 - Monitoring the status of State and federal activities as they relate to the stimulus funds;
 - Exploring a mechanism to expedite the stimulus funds (expediting contracts, establishing pre-qualified lists, etc.);

- Devising referral blueprints (from departments to the Workforce Investment Boards (WIB);
 - Garnering the support and participation of the WIBs;
 - Exploring federal and/or State regulations on use of Temporary Assistance to Needy Families (TANF) and Workforce Investment Act (WIA) dollars;
 - Exploring LiveScan requirements and options;
 - Building relationships with private employers (including non-profits) and other municipalities who may become employers of the temporary hires; and
 - Developing strategies for targeted populations.
12. March 2009 - The CEO and the Sheriff's department are exploring various opportunities within the economic stimulus package for funding a shared region-wide voice and data radio system. The Los Angeles Regional Interoperable Communications System (LA-RICS) will improve the emergency and day-to-day communications of the public safety agencies of Los Angeles County.
13. December 2008 to present - The CEO and Department of Mental Health (DMH) are reviewing the stimulus legislation to determine if the proposed County Electronic Medical Records (EMR) system is compliant with the new standards. The intent is to align this project with the new standards as it clearly meets the requirement of digitizing medical records and therefore should qualify for stimulus funding. The CEO and Department of Health Services (DHS) are also discussing potential EMR systems for DHS which may be eligible for funding. In addition to the above, DHS has been actively developing the following stimulus related e-health initiatives and has:
- Explored leveraging the CEO Master Agreement to streamline the identification of a consultant with pharmacy benefit management experience to assist in developing an Request For Proposal (RFP) to replace the existing antiquated pharmacy management system;
 - Collaborated with DCFS to develop and streamline the scope of work related to development of an automated referral system for DCFS to DMH and DHS;
 - Assembled Web Governance Committee to streamline the identification of content and presentation decisions for New County-Standard Websphere Portal;
 - Surveyed and pre-designated priority sites in preparation for a new EMR system and received ISD quotes for increasing data network bandwidth at DMH; and
 - Identified 21 priority sites within DMH for implementation of expanded telepsychiatry services in the County; collaborating with ISD on the cost of this expansion.
14. February 2009 to present - The CEO has been reviewing the stimulus impact on the Federal Medical Assistance Percentage (FMAP) and estimating the potential revenue for health services, mental health, and certain social services funding for the County programs. FMAP is used in determining the amount of federal matching

funds for expenditures in these programs. An increase in FMAP results in offsetting savings in the non-federal matching shares borne by the State and counties for the affected programs.

15. February 2009 to present - ISD is in the process of registering with the Central Contractor Registration (CCR) in accordance with the Treasurer and Tax Collector's (TTC) procedures. Once registered with CCR, at the direction of the executive oversight committee, ISD will apply for Energy Efficiency Block Grant Funding (Block Grants) and competitive grants on behalf of all County departments. The CEO and ISD will centrally coordinate all eligible Block Grant projects and competitive grant projects with ISD submitting all application on behalf of the County. It is anticipated the Block Grants and the competitive grants will be provided through the Department of Energy (DOE) and/or the California Energy Commission (CEC).
16. February 2009 to present - ISD continues to monitor and analyze DOE information related to determining the size of the Block Grants that will be provided directly to counties (population > 200,000) and cities (population > 35,000). ISD is also monitoring the DOE and CEC for information about competitive grant programs.
17. March 2009 to present - ISD and DPW have begun preparation to separately apply for DOE grants for transportation and fleet funding available under the stimulus package. The funding will be made available through the DOE and Environmental Protection Agency (EPA) and is intended to mitigate green house gasses released by large county fleet vehicles.
18. March/April 2009 - The CEO will meet with ISD, DPW, Department of Regional Planning (Planning), Parks & Recreation, and the Department of Beaches and Harbors to discuss Federal Energy Block Grant programs for both County facilities and community participation.
19. March/April 2009 - The Energy & Environmental Policy Team has convened a committee to evaluate stimulus package opportunities through the passage of AB 811 (Levine). AB 811 allows cities and counties to finance eligible energy efficiency and renewables projects on privately owned properties (residential and commercial) through property tax assessments. The committee includes: CEO, CEO Capital Projects, TTC, Auditor, DPW, Planning, County Counsel and ISD. The stimulus package may provide "seed money" and development funds for this program through Block Grants and increased renewable energy bond funding.
20. March/April 2009 - ISD is soliciting renewables project developers to become qualified vendors under their Energy Projects Master Agreement. The Board had previously approved the Master Agreements and the scope of work categories under the Master Agreement. The Master Agreement allows pre-qualified vendors to bid on

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project solicitations and ISD to award contracts without Board approval which will streamline the award process.

21. March/April 2009 - The Energy & Environmental Policy Team has convened a Renewables Policy committee to discuss parameters for a Countywide Renewable Energy Policy. The scope of the Policy would include County facilities, County property and private property located within the County. ISD has been meeting with departments to discuss renewables project solicitations that are being presented to staff throughout the County by a variety of vendors.
22. March/April 2009 - The CEO will meet with the CDC and Board deputies to discuss stimulus strategies for the Community Development Block Grant, Neighborhood Stabilization Program and Economic Assistance Programs.
23. March/April 2009 - Homeless Prevention Program - The CEO will develop a concrete plan to successfully maximize the use of these funds by leveraging existing programs in DCFS, DPSS and other departments. The guidelines for the Department of Housing and Urban Development (HUD) will be released on March 19, 2009, at which time we will know the full extent of how to apply for these funds.

This Office will continue to provide periodic updates on the status of County efforts to prepare for, acquire and implement economic stimulus package funding. We anticipate that these updates will become a set item on future Board agendas. If you have any questions or require further information, please Deputy Chief Executive Officer, Ellen Sandt at esandt@ceo.lacounty.gov or 213-974-1186.

WTF:SRH:
SAW:ef

cc: All Department Heads

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AMERICAN RECOVERY AND REINVESTMENT ACTIVITY REPORT

This memorandum contains the current status of noteworthy activities related to the American Recovery and Reinvestment Act (ARRA) as of March 24, 2009. All County departments have been notified of the following ARRA activities:

Notice of ARRA Funding Guidance

- Community Oriented Policing Services (COPS) grants open for application between 3/16/09 and 4/14/09
- State Energy Program (SEP) and weatherization assistance funds guidelines released 3/16/09
- Workforce Investment Act (WIA) grants guidelines posted 3/18/09
- State of California WIA grant allocations released 3/18/09
- National Institute of Health (NIH) grant guidelines posted 3/18/09
- Department of Energy (DOE) weatherization grant guidelines posted 3/18/09
- Older American Act (OAA) funding guidelines released 3/18/09
- Office on Violence against Women (OVW) grant guidelines released 3/18/09

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- Department of Justice (DOJ) Byrne JAG competitive grants guidelines released 3/20/2009, Byrne grants open for application until 4/27/09
- Final WIA Training and Employment Guidance posted 3/20/09
- Department of Labor (DOL) Title V Older Americans Employment Funding guidelines posted 3/20/09
- Environmental Protection Act (EPA) grant guidelines on the availability of ARRA Clean Diesel funds released 3/23/09
- Housing and Urban Development (HUD) Homeless Prevention funds guidelines released 3/23/09
- National Telecommunications and Information Administration (NTIA) Broadband Funding Opportunities guidelines released 3/23/09
- EPA clean water funding guidelines released 3/24/09
- State implementation language included for ARRA highway funds in AB3X20 (Bass)
- White House Memo to Federal Agencies on ARRA spending released 3/23/09
- House Transportation Committee guidance on requested information from Governors and Metropolitan Planning Organization's who are to receive ARRA funding released 3/23/09

As a result of a motion by your Board, a central work group has been comprised to oversee the acquisition, coordination, disbursement and tracking of funds received by the County from the American Recovery and Reinvestment Act (ARRA). This group, including BOS staff, will be meeting on Wednesday, March 25, 2009 to discuss grant related opportunities for the County.

If you have any questions or require further information, please Deputy Chief Executive Officer Ellen Sandt at esandt@ceo.lacounty.gov or 213-974-1186.

WTF:EFS:SAW:ef

c: All Department Heads



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

April 9, 2009

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

AMERICAN RECOVERY AND REINVESTMENT ACT UPDATE

This memo is to provide a brief status report on recent key activities related to American Recovery and Reinvestment Act (ARRA) funding.

Community Oriented Policing Services (COPS) Grant

The COPS grant application is due by April 14, 2009. If the County chooses to accept the COPS grant, the County must commit to providing funding in the fourth year for any deputies hired under the program. As this is a significant commitment, the CEO has requested the Sheriff's Department to prepare a Board letter for the April 14, 2009 Board meeting. This Office is working with the Sheriff's Department to evaluate various hiring scenarios, in the context of our multi-year forecast, and will come forward with a specific recommendation for the April 14, 2009 Board meeting.

ARRA Funding Database

The CEO has created a database to track all the ARRA funding sources for which departments plan to apply. We will use this tool to give the Board updates on the status of the County's grant applications. Departments have already begun entering the preliminary grant information. The database currently includes 135 projects and/or grant categories listed by 25 departments. Over 90 of the projects are for the Department of Public Works (DPW). DPW has applied for approximately \$163 million in grants and anticipates that grant awards will be made in the mid-May to early June time frame.

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Internet/Intranet Sites

The CEO has asked the Chief Information Office (CIO) to create two websites. One website will be linked to the County's portal site and will provide information for the public regarding County activities related to ARRA. The other website will be an internal County website and will provide information for the Board Offices and departments related to ARRA. Both websites will have hotlinks to State and federal ARRA websites. The CIO estimates that the internal site will be up by mid-April and the external site will be up shortly thereafter.

Accountability and Reporting

The federal Office of Management and Budget (OMB) has issued reporting requirements for agencies receiving ARRA funds. The federal government has established a portal website to which all reports will be posted. The state governments are responsible to ensure that the state and local agencies submit the required reports. Each state will determine whether local agency reports will be submitted directly to the federal portal or whether those reports will be routed to the state for submission to the federal portal.

This Office will work with the Auditor-Controller, CIO and departments to ensure that the dollars are tracked, spent and electronically reported, as required by the OMB. The ARRA reporting information will also be made accessible through the County's internal and external websites.

If you have any questions, or require further information, please contact Deputy Chief Executive Officer Ellen Sandt at esandt@ceo.lacounty.gov or 213-974-1186.

WTF:EFS:ef

c: All Department Heads



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Board of Supervisors

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First District

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Fifth District

April 10, 2009

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

AMERICAN RECOVERY AND REINVESTMENT ACT UPDATE

Priorities and Strategies to Maximize Funding

In a motion by Supervisor Molina dated March 17, 2009, your Board directed the Chief Executive Officer (CEO) to convene a working group to develop specific priorities and strategies to maximize federal funding for Los Angeles County, focusing exclusively on those areas of opportunity where the funding formulas are not determined by statute and where County proposal development and advocacy can make a difference in the successful request and receipt of these funds.

The American Recovery and Reinvestment Act (ARRA) provides Federal funding through a variety of programs. Most Federal funding for state and local governments are provided through formula grant programs, and the County will receive most of its ARRA funding through entitlement formula grant programs, as discussed in greater detail below. The County will receive its other funding through a combination of formula grants, such as the Community Development Block Grant and Workforce Investment Act programs, through which the County receives direct or State pass-through formula allocations; other state block grants, such as the State Energy Program (SEP), over which the State has decision-making authority over the use of funds; and Federal competitive grants, such as the COPS Hiring Grant Program.

Entitlement Programs

The greatest potential for maximizing funding from the ARRA for the County, by far, are from its temporary increases in the Federal Medical Assistance

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Percentage (FMAP) for Medicaid and Title IV-E Foster Care and Adoption Assistance and its newly created Temporary Assistance for Needy Families (TANF) Emergency Contingency Fund (ECF). As indicated in the March 4, 2009 Washington, D.C. update on the ARRA, the County will receive most of its increased Federal ARRA revenue through Medicaid (Medi-Cal) and Temporary Assistance for Needy Families (TANF/CalWORKs). Under these two programs, the County's revenues and costs are not fixed, but, instead, are significantly affected by future changes in caseloads, costs, and allocations, which, in turn, are affected by State budget and policy decisions. For example, the County would receive less funding if the State were to reduce its budget deficit by decreasing State General Fund expenditures for these programs.

County departments have begun to pursue increased Federal funding for the State and County from the ARRA's temporary FMAP increases and TANF ECF in the following ways:

- Working with the State and California Association of Public Hospitals to pursue an increase in the Federal Medicaid Safety Net Care Pool funding under the existing Hospital Financing Waiver to reflect the higher actual FMAP for Medicaid between October 1, 2008 and December 31, 2010 than was assumed when Federal funding for the waiver originally was determined.
- Identifying County certified public expenditures, including for mental health services, which can be counted and used to draw down increased Federal Medicaid funds with the higher FMAP.
- Working with the State and Federal governments to continue the Title IV-E Waiver which allows the Departments of Children and Family Services and Probation to expand and/or implement critical system changes in the way child welfare services are provided to children and families. The Waiver is a capped funding allocation which expires at the end of FY 2011-12 and the County needs to renegotiate its extension prior to that time.
- Working with the State and the County Welfare Directors Association to ensure that the State's implementing guidelines for the new TANF ECF will provide that each county will receive the additional Federal ECF funding that the State will be awarded based on increased county expenditures for subsidized employment, Kin-GAP, and other services eligible for ECF funding. This ECF funding guarantee is critically important for financing the County's initiative to place up to 10,000 unemployed residents into temporary subsidized employment.

In addition, the Department of Public Social Services is working to maximize ECF funding for allowable purposes other than subsidized employment,

including current CalWORKs services that could be claimed to the ECF and current community-based services that could potentially be expanded through the ECF.

Other Programs

In addition to ARRA funding for entitlement programs, the March 4, 2009 Washington, D.C. update identified other potential ARRA revenue sources, including the Energy Efficiency and Conservation Block Grant (EECBG) through which the County's allocation is \$15.4 million. The State separately received an EECBG allocation for energy efficiency projects and activities in counties and cities that did not receive direct allocations, and a \$226.1 million allocation under the SEP over which the State has broad discretion over the use of funds. The County will be able to pursue SEP funding, administered by the California Energy Commission as well as through Federal Department of Energy Competitive Grants.

The motion cited various major funding areas included in ARRA, such as health services, employment and training, housing and economic development, disease prevention and crime prevention. The CEO directed department heads to provide data on all types of ARRA funding (whether formula or competitive) for which departments were interested or planning to apply. As of April 7, 2009, 25 departments had submitted their preliminary information. Departments are expected to update the database as the status of funding changes (for example, from a grant applied for to a grant awarded). We will review departmental responses to determine any other significant funding sources which should be included as a high priority focus area.

Strategies

The working group discussed various funding issues and identified the following strategies:

- Work with our Federal and State delegations to pursue County priorities and to maximize County funding. At the State level, ensure that the State's efforts to solve its structural deficit do not reduce County funding.
- Oppose any proposals that would reduce Medi-Cal, Title IV-E, or TANF/CalWORKs funding for the County.
- In addition to ARRA, continue to request funding from the Federal government through the normal appropriations process for the State Criminal Alien Assistance Program, Community Development Block Grant,

Ryan White AIDS program, and other programs where the County receives a disproportionate share of the funding.

- Work with our Sacramento and Washington, D.C. advocates to identify those areas where intervention by the Board or specific Board members can advance the County's priorities.
- Analyze and apply for grant opportunities to determine those which would provide maximum funding to support critical County programs and services.
- Work with departments and the Sacramento and Washington, D.C. advocates to monitor Federal and State agencies to identify legislation, regulatory actions, and budgetary adjustments to maximize program and funding opportunities.

The working group will continue to monitor opportunities and will provide updated reports to the Board on a regular basis as specific issues or action items arise. In addition, this Office will be providing frequent updates on the status of ARRA funding for which departments have applied and/or received monies.

If you have any questions, or require further information, please contact Deputy Chief Executive Officer Ellen Sandt at esandt@ceo.lacounty.gov or 213-974-1186.

WTF:EFS:ef

c: All Department Heads

ATTACHMENT II



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
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REVISED ATTACHMENT

March 23, 2009

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

Board of Supervisors
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ECONOMIC STIMULUS: OVERSIGHT TASK FORCE, PROJECT MANAGEMENT TEAM AND TARGETED FUNDING WORKGROUP RECOMMENDATIONS FOR THE ECONOMIC STIMULUS PACKAGE

On February 17, 2009, on motion of Supervisor Yaroslavsky, the Board directed the Chief Executive Office (CEO) to establish an interdepartmental task force, led by the CEO, to manage and execute the expenditure of the Federal Stimulus Package funds that the County will receive. The motion further instructed the CEO to establish a project management team that will be responsible for insuring that the stimulus funds will be expended in a timely manner.

Attached is an organization chart with a proposed structure to meet the direction of the motion and to centrally manage the stimulus project at the County level. Strategic direction for proposal development, acquisition, expenditure and tracking of all stimulus funds will be coordinated by the Oversight Task Force. Incorporated into the Oversight Task Force structure are six project management teams to oversee the six distinct funding areas: Capital Projects, Information Technology, Environmental and Renewables, Social Services, Public Safety and Health Services. These project management teams will coordinate collaborative applications for stimulus funding from a countywide perspective rather than a Departmental level to maximize the economies of scale for the County.

In response to a March 17, 2009 motion by Supervisor Molina, a targeted workgroup was developed to directly report to the Oversight Task Force. This workgroup will be focused exclusively on identifying areas of opportunity where the stimulus funding

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Each Supervisor
March 23, 2009
Page 2

streams are not set by formula and where County advocacy and proposal-development can make a difference on how funding is ultimately expended.

As noted in our March 16, 2009 status memo, most of the project teams have already begun planning, registering on the federal website, and taking other preparatory steps to apply for federal funds. The first oversight Task Force meeting is scheduled for March 25, 2009. The focus of the first Task Force meeting will be on expediting the grant application process and ensuring the County's grant applications are coordinated to maximize potential funding. The oversight Task Force will also develop a proposed approach to grants which require a County match or ongoing County funding. In addition, our legislative staff has been actively working with departments to determine the most advantageous funding formulas for the County for the various types of funds.

It is anticipated that the Oversight Task Force will meet at least once per month or more often if needed. The project management teams will meet as needed to develop strategies and proposals to garner discretionary funding during implementation.

If you have any questions or require further information on this matter, please contact Ellen Sandt, Deputy Chief Executive Officer at (213) 974-1186 or esandt@ceo.lacounty.gov.

WTF:EFS:SAW:ef

Attachments

c: All Department Heads

K:\Board Memos\CEO Board Memos Word\03.26.09 ARRA Executive Committee.doc

REVISED 03/24/09

AMERICAN RECOVERY and REINVESTMENT ACT
EXECUTIVE OVERSIGHT TASK FORCE

TARGETED DISCRETIONARY FUNDING WORK GROUP	
<p>CEO - Ellen Sandt - Chair CEO - Gerri Kariya CEO - Lari Sheehan CEO - Miguel Santana CEO - Shella Shima CEO - Debbie Lizzari CEO - DCEO, Public Safety BOS Deputies - Each District BOS Executive Office - Sacha A. Hamai ISD - Tom Tindall CIO - Richard Sanchez LASD - TBD County Counsel - Karen A. Lichtenberg DPW - Jacob Williams DHS - John Schurhoff</p>	<p>LACO Chief Lobbyist (Sac) - Dan Wall Dir. of Gov Relations and Policy - Gerri Kariya County Legislative Strategist - Burt Margolin DHS Interim Dir of Gov. Relations and Policy - Gerardo Pinedo Chief Deputy Director DPH - Jonathan Freedman DPSS - Phill Ansell</p>

PROJECT MANAGEMENT TEAMS

CAPITAL PROJECTS	INFORMATION TECHNOLOGY	ENVIRONMENTAL & RENEWABLES	SOCIAL SERVICES	PUBLIC SAFETY	HEALTH SERVICES
<p>DPW - Chair CEO - Cap Projects/Debt Management - Regional Planning - ISD -</p>	<p>CIO - Chair CEO - ISD/ITS - DHS - Public Library -</p>	<p>ISD - Chair DPW - CEO - CDC - Regional Planning - Parks & Recs -</p>	<p>CEO - Chair DPSS - DCSS - DCFS - CDC -</p>	<p>LASD - Chair CEO - LACFD - DPW - Regional Planning -</p>	<p>CEO - Chair DHS - DMS - DPH - DCFS - CDC - CSS -</p>

Note: Other departments will be added as needed